

# City of Dubuque/Dubuque Professional Firefighters Local 353

2005-2006

CEO 147

SECTOR 2

## AWARD

In the Matter of:

City of Dubuque  
Public Employer

and

Dubuque Professional Fire Fighters  
Local 353  
Public Employee Organization

Micheal L. Thompson

Arbitrator

Appearances:

For the Employer:

Randy Peck, Personnel Manager

For the Public Employee Organization:

Michael Meloy, Attorney  
Dave Beeves, President  
Kevin Esser, Secretary/Treasurer  
Bill Labon, Fire Fighter  
David Grass, Medical Officer

## STATEMENT OF JURISDICTION

The matter proceeds to an arbitration hearing pursuant to the statutory provisions established in the Public Employment Relations Act, Chapter 20, code of Iowa. The above named arbitrator was selected from a list furnished to the parties by the Public Employment Relations Board. An interest arbitration hearing was held on May 3, 2006 at 10:00 am at Dubuque, Iowa. The hearing was electronically recorded. At the hearing the parties (City of Dubuque hereinafter Employer and Dubuque Professional Fire Fighters Association, Local 353 hereinafter Union) were given a full opportunity to introduce evidence, facts, and arguments in support of their respective positions. Upon the basis of the evidence, facts, and arguments presented, the following award was made.

Following the hearing, the Employer petitioned the Public Employment Relations Board to stay the arbitration pending a determination by the Board regarding the topic of wages which the parties disagreed upon during the arbitration session. The Board stayed the arbitration and determined that the items in the Wage Plan -- Article 12, Article 14 -- Education Pay, and Holidays -- Article 24 are part of the wages section except for the last sentence of Article 24, which comes within the topic of overtime compensation. The Board also notified the Arbitrator that the Award would be issued no later than May 28, 2006.

## STATEMENT OF THE ISSUES and POSITIONS OF THE PARTIES

For the Employer:

### Article 12 -- Wage Plan

Effective July 1, 2006 through June 30, 2006, the wage plan (base wage) in effect on June 30, 2006 shall be increased by 3.5% across the board.

### Article 14 -- Education Pay

Continue with the existing language of the Agreement.

### Article 18 -- Group Insurance

Continue with the existing language of the Agreement.

### Article 24 -- Holiday Pay

Continue with the existing language of the Agreement.

For the Union:

**Wage Plan -- Article 12**

- a. Firefighter -- 3.5% GWI\* in Steps C through Step F
- b. Fire Equipment operator -- 3.75% GWI in Steps C through step F
- c. Ambulance Medical officer -- 4.0% GWI in Steps C through Step F
- d. Fire Lieutenant -- 4.0% GWI in Steps D, E, and F
- e. Fire Captain -- 4.25% GWI in steps D, E, and F

**\*GWI stands for general Wage Increase**

**Education Pay -- Article 14**

Delete paragraph 1 and substitute the following Paragraph 1

An employee who is certified in any of the following categories shall receive payment for each certification as follows:

Certification Level	Payment
a) EMT -- B at all ranks	\$20 per month
b) EMT -- I at all ranks	\$40 per month
c) EMT -- Paramedic at all ranks	\$105 per month

**Holidays -- Article 24**

Add a new section 5 as follows:

Those employees working a fifty-six (56) hour workweek shall be paid at the rate of one and one-half (1-1/2) times their normal rate of pay for the actual hours worked on the holiday. Any fifty-six (56) hour workweek employee who works overtime on the holiday shall be paid at the rate of twice their normal rate of pay for the actual hours worked on the holiday.

**Group Health Insurance -- Article 18 -- Section 1**

Place a monthly cap on employee payments on health insurance by adding the following language to article 18, Section 1:

"In no event shall an employee pay more than \$125 per month for Family health insurance, \$100 per month for Single plus 1 coverage or \$50 per month for single Coverage."

## CRITERIA APPLIED IN MAKING AWARD

The Iowa Public Employment Relations Act contains criteria that are to be used by an arbitrator in judging the reasonableness of the parties' collective bargaining proposals. The Act establishes the criteria that are to be used by interest arbitrators in formulating their awards. Section 22.9 of the Act provides, in relevant part:

The panel of arbitrators shall consider, in addition to any other relevant factors, the following factors:

- a. Past collective bargaining contracts between the parties including the bargaining that led up to such contracts.
- b. Comparison of wages, hours, and conditions of employment of the involved public employees with those of other public employees doing comparable work, giving consideration to factors peculiar to the area and the classifications involved.
- c. The interests and welfare of the public, the ability of the public employer to finance economic adjustments and the effects of such adjustments on the normal standard of service.
- d. The power of the public employer to levy taxes and appropriate funds for the conduct of its operations.

With the criteria mandated for arbitrators firmly in mind and based upon the entire record developed at the hearing, the award contained in this report is formulated.

## Background

The city of Dubuque is located in the northeastern part of the state and it is an urban area that borders the Mississippi River. The parties have engaged in collective bargaining since 1975. The bargaining relationship has considerable acrimony, and impasse procedures have been utilized frequently. The current contract is for the year that begins July 1, 2006, and the parties have been unable to resolve the preceding issues. The Employer and Union have spent considerable time in bargaining and negotiations, including the intervention of a mediator to voluntarily resolve the issues. This effort was unsuccessful and the impasse proceeded to the arbitration hearing. The parties have voluntarily agreed to waive any statutory time limitations (which was confirmed by the arbitrator at hearing).

The Union and Employer presented evidence and each asserted their respective positions. The impasse appears to have generated intense feelings for both groups. The subscribed arbitrator has reviewed and considered at length the arguments, records, and evidence presented and has carefully considered each point raised by the Employer and Union.

This dispute centers around a number of issues – wages, holidays, education pay and group health insurance. While they are separate issues, each impact upon the monetary framework of the City. As part of the arbitration, the economic issues were paramount, and they have created some acrimony. During the hearing, each party was given ample time to present evidence and testimony regarding their respective position. At the end of the session each party elected to present a closing statement.

Given the history of negotiations, the parties have experience with comparability. The Union and the Employer used similar comparability groupings (the Big Six and internal), although each presented different interpretations related to each group. The Union presented a historical comparability grouping that was extensive including urban areas of Cedar Rapids, Sioux City, Des Moines, Davenport, Waterloo, Council Bluffs, and Dubuque. The Employer presented a slightly different group -- the preceeding group and Iowa City. In addition each party also referenced internal comparability, primarily with the police but also with other administrators and staff within the City. Each party argues that its grouping was most appropriate and reasonable. Among the strategic factors for a neutral to consider in making an award is the comparability group. The weight given by the arbitrator is a function of several factors, which include, but are not limited to: geographical proximity, size of population, demographic characteristics, and other relevant financial data. Therefore, it is not necessary to adopt in its entirety either party's group as most appropriate. However, appropriate weight has been given to each grouping. Before noting the comparability group, it should be noted that the parties spent considerable time detailing the reasons for using its comparability group. This was not lost on the Arbitrator. While each used slightly different groupings, many of the external groupings were the same, however, the emphasis made by the Employer and Union created a different perspective for the Arbitrator to consider. With respect to the internal grouping, it is also clear that other arbitrators have utilized this comparison, and while the instant arbitrator has not usually used internal comparability because of the difference in work activities, it has relevance in this arbitration. Obviously police and fire fighters perform public safety activities, and

the Arbitrator accepts that there is some connection between job tasks. However, comparability with other job classifications in the city are not necessarily comparable.

While the Union argues that it is clear that its employees in each category (fire fighter, medical officer, lieutenant, equipment operator, and captain) are paid less than comparable police staff, the Employer argues that the Union is not including the whole picture. The Employer also points out that its salary increase would keep the raises the same for each bargaining unit. Moreover, the Employer argues that police and fire fighters are paid identical rates except for the maximum pay range.

Another strategic factor to consider is bargaining history. The parties detailed the history, and each focused upon the bargaining during the course that led to the arbitration. The Employer raised a critical issue here -- their approach has been to be consistent with all bargaining groups which has been the case except for decisions made by outside neutrals. The Employer asserted that it does not voluntarily settle with one bargaining unit if it demands a higher settlement. While the Employer may utilize this policy, the Arbitrator is not bound by this decision based upon comparability.

Besides this point another major issue in this case is ability to pay. The Employer does not argue an inability to pay; it clearly asserts a relative ability to pay. The Union argues that there are funds available. Both parties identified strategic points, but in the end the Arbitrator found this is not an inability to pay issue.

### **Discussion and Finding of Fact**

The initial issue is the wage package. This was submitted to PERB which decided that Article 12 falls within the wage package, and that Education Pay, Article 14 also falls within the wage package. The issue before PERB was whether Education Pay



was "supplemental pay", and PERB ruled that Education Pay "does not constitute a proposal for supplemental pay". PERB also ruled that the first sentence Holidays -- Article 24 was not a "proposal for pay for performing extra duties, and is thus not supplemental pay". Finally, PERB decided that the second sentence of the Union proposal falls within the topic of overtime compensation and is a separate impasse item. Given this guidance, the Arbitrator will decide this case based upon three items -- wages, overtime compensation, and insurance.

The initial issue is wages. The Employer offers a 3.5% increase across-the-board which is costed at \$172,930.92 including pension contribution of 27.75% which amounts to \$37,564.25. In addition the Employer calls for current contract on Education pay and Holidays -- other wage items. In this instance the Union and Employer concur on costing at least the increased costs except for the cost of the fire fighter pension which is not expensed by the Union. The Union proposal calls for a base increase from 3.50 to 4.25% which is costed at \$147,440 without including the pension costs. Again the parties arrived at the same costing. The Union proposal also must include the costs of education pay which is costed at \$34,380, and payment for working on holidays which is costed on a time and one half basis at \$44,933. The costing for these items are identical for the holiday pay, but are apart on the education pay as the Employer includes the pension costs. The net cost of Holiday pay for the Union is \$44,933 while the employer's cost is \$57,401. The total cost of the Union proposal is \$226,753 which is a 5.76% increase while the Employer proposal is costed at \$289,753 or a 5.9% increase. While the parties agree on the costing of \$226,753, it is clear that the Union proposal does not include the pension costs.

In determining the facts related to wages, the Arbitrator finds that the PERB determination clearly sets the standard to look at wages in a combined package. Thus the issues of wages will include education pay and the first portion of holiday pay. It is also clear that the costing by each is similar, except the Union does not include the pension cost. While this cost is not associated with the negotiations, it is a real cost that must be factored in the total package. The facts also indicate that the Employer has an ability to pay.

The Union asserts that its firefighters are paid wages below other comparable units, internally and externally. The employer disagrees, and argues that wages must be looked at in context -- the ability of fire fighters to move through the salary schedule and promotional opportunities. The Union exhibits demonstrate that fire fighters (from a Firefighter to a Captain) earn less in some instances, but it is also clear that personnel in Dubuque can move through the schedule faster than other comparable cities. Thus it is clear that external comparability does not indicate that fire fighters make less, and that the total package -- wages, education, training and longevity is competitive with other units. What is telling is that the Union employees move through the pay scale faster than most and reach positions with higher salaries. The Arbitrator finds the Employer's argument to be more compelling for this aspect of the wage package. In addition the salary increase offered by the Employer exceeds the CPI, and it mirrors the raises offered to the other external comparable groups -- between 3 and 4% and an average of 3.36%.

The second aspect of the wage package relates to Educational Pay. The Union

contends that its pay is substantially less than colleagues in other cities. While there is evidence that the fire fighters receive less for these educational activities, it must be viewed within the context of overall pay. Within this context, it is apparent that the fire fighters have a competitive salary package. The Arbitrator again finds the Employer's argument to be more reasonable. Similarly, the Arbitrator's review of the initial part of holiday pay (one and one half time) is seen from the same perspective. Thus the Arbitrator finds that that the wage package will increase by 3.5% across the board. The education pay and payment for working on a holiday will continue at the current contract level.

The second issue is the remainder of the holiday pay package. The Union advocates a change in the contract that allows their employees to be paid for overtime on holidays at a rate two times the normal rate of pay for actual hours worked on a holiday. The Union argues that there is internal comparability with the police in Dubuque while the Employer asserts that the police negotiated this as part of a earlier bargaining package. Further the Employer argues that the Union received other benefits as part of their package. In reviewing the Union exhibit, it is clear that the comparability is related to the first section of the Police contract which relates to the one and one-half time pay for all hours worked on the holiday. The Union does not include any external comparability. The Arbitrator does not find comparability or bargaining history related to this subject, and the Arbitrator awards the current contract language as advocated by the Employer.

The next issue is insurance. The Union requests a monthly cap on the employee payments for health insurance -- \$125 per month for Family health insurance, \$100 per month for single plus 1 coverage or \$50 per month for single coverage. The Employer

argues that the insurance be maintained at the current contract. This issue relates to the change in the insurance in 2005 that resulted from the Arbitration Award. The Union argues that there is a need for a cap based upon comparability -- Dubuque pays more for family health and dental than any other member of the external comparability group by a large amount (over \$1200). Additionally, the Union argues that it was kicked out of the Employer's Joint Labor Management Health Care Committee leaving it without a voice in dealing with health care concerns. The Employer argued that it and the taxpayers should not be expected to take the insurance risk especially related to spouses/families that migrated to this plan. The Employer also argued that nothing has changed from last year when the arbitrator made the ruling mandating that each employee pay 10% of the health costs as both parties (city and employee) benefit from health insurance. Finally, the City notes that other employees internally pay this amount without a cap, and that there is not an increase in premiums for the year beginning on July 1, 2006. The Arbitrator does not find a compelling reason to change the current contract -- premiums did not increase for this year. While this plan was changed by an arbitrator in 2005, the parties conceptually agreed that the insurance would change. Since they could not specifically agree on how to change, the Arbitrator was given responsibility. Now another arbitrator is given the opportunity to address the issue. Even though there is some evidence of a disparity with the external comparability groups, there is not sufficient reason to alter the award from the last year.

AWARD  
(Summary)

Wages

3.5% across the board increase -- employer position.

Holiday pay

Current contract -- employer position

Insurance

Current contract -- employer position.

Dated and signed by:

Micheal L. Thompson, Arbitrator

5-26-06



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RELATIONS BOARD

### Certificate of Service

I certify that on the 26th day of May, 2006, I served the foregoing Arbitration Award upon each of the parties to this matter by mailing a copy to them at their respective addresses as shown below:

Randy Peck, Personnel Manager  
City of Dubuque  
50 West 13th Street  
Dubuque, Iowa 52001-4864

Michael J. Meloy, Bargaining Representative  
Dubuque Association of Professional Firefighters  
2828 18th Street, Suite 4  
Bettendorf, Iowa 52722

I further certify that on the 26<sup>th</sup> day of June, 2006, I will submit this report for filing by mailing it to the Iowa Public Employment Relations Board, 510 East 12th Street, Suite 1B, Des Moines, Iowa 50319.